**Customer Segmentation and Targeting**

Segmentation Variables:

Key Points:

* Make sure you get to know the segmentation variables - **ALL of them!**
* Identify which ones are the most relevant in your case

### Take into consideration the below variables:

1. By Geography:
   1. Country
   2. City
   3. Neighbourhood etc.
2. By Demographic Factors:
   1. Demographic: age, gender, income, religion…
   2. Firmographic: size, industry, employees...
3. By Personality Traits:
   1. Interests, values, beliefs
   2. how they see life, their opinions, their attitudes towards specific things
   3. lifestyle, political affiliations
4. By Customer Behaviour:
   1. Benefits sought / problem: Why? For what?
   2. What do they like: from your value proposition, what are they interested in
   3. Type of use: when, how, for what, with who?
   4. Customer stage: unaware, informed, ex-customers, etc.
   5. Usage rate & frequency
   6. Importance (for you)

Note-

1. All companies must identify and be very clear about the most relevant variables in their specific case.

In other words, what defines our clients?

1. Is it their geographical location, age or gender?
2. Or perhaps their socio-cultural level, tastes, attitudes, or the benefit they’re looking for?

(B) Do so based on the study of your real customers. In particular, your ideal clients, those who are **truly passionate** about your offering. It’s also recommended that you do this on a regular basis.

1. Identify a few real clients within your ideal clients. **Real people, with a name!**
2. Analyze them using all the **segmentation variables**
3. Find out what makes you so attractive for them- i.e. what defines your ideal clients.
4. Use those variables to segment your market.

Ask yourself the following questions while segmenting:

* Your ideal customer-
* The most important ones for you-
* The key segmentation variables-
* The biggest segment-
* A segment you would like to tap into-
* A segment you are struggling with-

Customer Personas:

Why are Customer Personas more effective than Segmenting?

1. Ultimately, your clients are individual people, not segments.
2. It allows you to know much more about them. You can study and describe a Customer Persona, but the same can’t be said about a segment.
3. It is easier to share this knowledge with the rest of the company.

Common mistakes of targeting:

1. In general, the vast majority of companies have not made an analysis of who to contact, nor do they know the advantages or disadvantages of their strategy.
2. Segmenting from the beginning, **targeting several segments with different proposals when**

**you haven’t validated anything yet**. Don’t rush, take your time and do it well!

1. Trying to make your product fit too many segments at once.